

THE EXCHANGE HAS NEITHER APPROVED NOR DISAPPROVED THE INFORMATION CONTAINED IN THIS FILING STATEMENT, WHICH IS A REPRODUCTION OF THE ORIGINAL FILED WITH THE EXCHANGE BY THE COMPANY AND IS ISSUED FOR INFORMATION PURPOSES ONLY. THIS FILING STATEMENT IS NOT TO BE REPRODUCED IN WHOLE OR IN PART WITHOUT THE WRITTEN APPROVAL OF THE TORONTO STOCK EXCHANGE.

THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1590.
FILED, JANUARY 4th. 1968.

WAINOCO OIL & CHEMICALS LIMITED

Full corporate name of Company
Incorporated under The Companies Act (Ontario)
by Letters Patent dated February 3, 1949.

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

Reference is made to previous
Filing Statement No. 869.

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	(a) Sale of 300,000 shares of the Company (see Item 6 below) - change in control of Company. (b) Changes in board of directors and officers (see Item 3 below).																																	
2. Head office address and any other office address.	Head office: Suite 914, 111 Richmond Street West, Toronto 1, Ontario. Executive office: 312 Fourth Av. S.W. Calgary, Alta																																	
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	<p>Proposed officers and directors:</p> <table><thead><tr><th>Name and Address</th><th>Office</th><th>Occupation</th></tr></thead><tbody><tr><td>(i) John B. Ashmun 300 Elveden House Calgary, Alberta</td><td>President and Director</td><td>President J.B. Ashmun, Inc; (oil exploration and production real estate, geothermal energy)</td></tr><tr><td>(ii) Robert F. Smith 312 Fourth Av.S.W. Calgary, Alberta</td><td>Vice-President and Director</td><td>President, Travis Chemicals Limited</td></tr><tr><td>(iii) Ronald L. Hancock 312 Fourth Av.S.W. Calgary</td><td>Secretary-Treasurer</td><td>Secretary-Treasurer Travis Chemicals Limited</td></tr><tr><td>(iv) T.B. Pickens, Jr. 630 Sixth Av.S.W. Calgary, Alberta</td><td>Director</td><td>President, Altair Oil and Gas Company and Mesa Petroleum Company</td></tr><tr><td>(v) Wales H. Madden 700 West 11th Street Amarillo, Texas</td><td>Director</td><td>Attorney, Partner Selecman & Madden, Attornies-at-Law, Amarillo, Texas</td></tr><tr><td>(vi) Henry D. Lindsley, III 4209 Arcady Street Dallas, Texas</td><td>Director</td><td>Sales Manager, Braniff Airlines and independent oil operator</td></tr></tbody></table> <p>Present officers and directors (to resign January 5, 1968 - tentative closing date):</p> <table><thead><tr><th>Name</th><th>Office</th></tr></thead><tbody><tr><td>W.G. McMahon</td><td>President and Director</td></tr><tr><td>P.D. Williams</td><td>Vice-President and Director</td></tr><tr><td>R.W.A. Boal</td><td>Sec-Treasurer and Director</td></tr><tr><td>Robert F. Smith</td><td>Director</td></tr><tr><td>Ronald L. Hancock</td><td>Director</td></tr></tbody></table> <p>Messrs. Smith and Hancock were elected directors of the Company on December 21, 1967 to replace M.B. Martin and W.E. Whish respectively who resigned as directors on that date</p>	Name and Address	Office	Occupation	(i) John B. Ashmun 300 Elveden House Calgary, Alberta	President and Director	President J.B. Ashmun, Inc; (oil exploration and production real estate, geothermal energy)	(ii) Robert F. Smith 312 Fourth Av.S.W. Calgary, Alberta	Vice-President and Director	President, Travis Chemicals Limited	(iii) Ronald L. Hancock 312 Fourth Av.S.W. Calgary	Secretary-Treasurer	Secretary-Treasurer Travis Chemicals Limited	(iv) T.B. Pickens, Jr. 630 Sixth Av.S.W. Calgary, Alberta	Director	President, Altair Oil and Gas Company and Mesa Petroleum Company	(v) Wales H. Madden 700 West 11th Street Amarillo, Texas	Director	Attorney, Partner Selecman & Madden, Attornies-at-Law, Amarillo, Texas	(vi) Henry D. Lindsley, III 4209 Arcady Street Dallas, Texas	Director	Sales Manager, Braniff Airlines and independent oil operator	Name	Office	W.G. McMahon	President and Director	P.D. Williams	Vice-President and Director	R.W.A. Boal	Sec-Treasurer and Director	Robert F. Smith	Director	Ronald L. Hancock	Director
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Ronald L. Hancock	Director																																	
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized: 3,000,000 shares with p.v. of \$1.00 ea. Issued: 1,249,435 shares with p.v. of \$1.00 each.																																	

<p>5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.</p>	<p>(a) Promissory Note in favour of Robert F. Smith for \$100,000 bearing interest at 6% per annum payable in 3 equal annual instalments commencing February 28, 1968.</p> <p>(b) Chattel Mortgage on company equipment maturing February, 1971 bearing interest at 4½% per annum - presently outstanding \$74,196.</p> <p>(c) The Company has made a general assignment of its accounts receivable and inventories to The Canadian Imperial Bank of Commerce to secure advances. The Company and Travis Chemicals Limited have no present bank indebtedness. Travchem Limited a 60% subsidiary company has bank indebtedness of \$10,000.</p>
<p>6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.</p>	<p>Argonaut Petroleum Inc., a wholly owned investment company subsidiary of American Northland Oil Company, 1135 Main Avenue, Long Beach, California has agreed to sell (subject to Toronto and Canadian Stock Exchange acceptance for filing of Filing Statements disclosing the transaction) 300,000 shares of the Company at \$1.00 per share to the following in the proportions set out opposite their respective names:</p> <p>(i) Palm Enterprises - 220,000 shares c/o J.B. Ashmun 800 Elveden House Calgary, Alberta</p> <p>(ii) Robert F. Smith - 40,000 shares 312 - 4th Ave. S.W. Calgary, Alberta</p> <p>(iii) Perry David Williams - 15,000 shares 1028 Cayanga Drive Calgary, Alberta</p> <p>(iv) Lawton L. Clarke - 12,500 shares 630 - Sixth Ave. S.W. Calgary, Alberta</p> <p>(v) Robert E. Wolfe - 12,500 shares 2322 - First Ave. S.W. Calgary, Alberta</p> <p>Note: Palm Enterprises is a U.S. Partnership consisting of four equal partners: T.B. Pickens, Jr., Wales H. Madden; Henry D. Lindsley, III and John B. Ashmun).</p>
<p>7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.</p>	<p>Not applicable. The Company has entabled an Employee Incentive Stock Option Plan for key employees and has reserved 62,000 shares in the capital stock of the Company (at not less than \$1.00 per share) for this purpose. No stock options have been granted under this Plan to the date hereof.</p>
<p>8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.</p>	<p>Not applicable</p>
<p>9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.</p>	<p>The Company has been advised by a representative of the share purchasers as follows: "The Company plans continued expansion and development of its chemical business and will seek new business opportunities compatible with its present endeavour."</p> <p>See Schedule "A" on page 4.</p>

10 Brief statement of company's chief development work during past year.

Travis Chemicals, a division of Wainoco Oil and Chemicals Limited, will have their most profitable year in 1967. Sales for the first half of the year increased thirty-eight (38%) per cent over the corresponding period a year ago while profit margins were maintained. The sales for the balance of the fiscal year have continued on a most satisfactory basis.

The Warehouse Division of Travis Chemicals in Fort St. John is also enjoying a successful year. They store and handle produce for the chemical Company as well as for twelve additional customers in the area.

The new division concerned with herbicides, in its first year of operation has done a satisfactory volume of contract work on weed and brush control. A considerable amount of sales effort was required to establish this market which had not been explored by other companies in the past. This Division gives a three year guarantee on its work with the income being received over a three year period. Due to a wet spring, operations were somewhat delayed but a modest profit was made as of June 30, 1967. Indications are that 1968 should be more successful in as much as customer companies are budgeting more for weed and brush control.

Travchem Limited, a 60 per cent owned subsidiary of Wainoco Oil and Chemicals Limited, has continued its program of research and development in manufacturing and blending corrosion inhibitors, demulsifiers and similar products. It has expanded both its services and the number of its customers resulting in increased laboratory analysis and consultations which necessitated additional trained staff. The future appears to be quite promising and additional sales gains are anticipated during 1968.

11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.

Not applicable

12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.

Not applicable

13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.

None

14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)

Not applicable

SCHEDULE "A"

J. B. ASHMUN, INC.

800, ELVEDEN HOUSE
CALGARY, ALBERTA
CANADA

403 - 264-1841

January 10, 1968

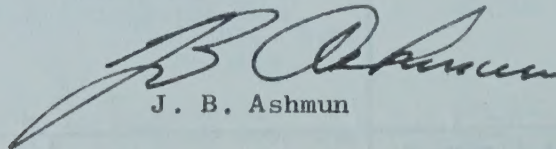
Re: Wainoco Oil & Chemicals Ltd.

Toronto Stock Exchange
Toronto, Ontario

Gentlemen:

With regard to a change in the management of the above company, I would like to advise I am a member of the new management team, assuming both a directorship and the office of President of the company. Please be advised that it is the intention of new management to continue expansion and development of its chemical business and to seek new business opportunities compatible with this principal endeavor.

Yours very truly,



J. B. Ashmun

JBA:hs

WAINOCO OIL AND CHEMICALS LIMITED
(formerly Wainwright Producers & Refiners Limited)

CONSOLIDATED STATEMENT OF DEFICIT
TEN MONTHS ENDED OCTOBER 31, 1967
(with comparative figures at December 31, 1966)

	1967	1966
Deficit, beginning of period	<u>\$2,138,246</u>	<u>\$2,192,982</u>
Deduct-		
Net income for the period	62,001	54,736
Recovery of accumulated tax reductions applicable to future years	<u>24,260</u>	<u> </u>
	<u>86,261</u>	<u>54,736</u>
	2,051,985	2,138,246
Add-		
Adjustment of investment in subsidiary re: employee stock option (Note 3)	<u>167,500</u>	<u> </u>
	<u><u>\$2,219,485</u></u>	<u><u>\$2,138,246</u></u>

The accompanying notes are an integral part of the financial statements.

WAINOCO OIL AND CHEMICALS LIMITED
(formerly Wainwright Producers & Refiners Limited)

CONSOLIDATED STATEMENT OF INCOME AND DEFICIT
TEN MONTHS ENDED OCTOBER 31, 1967
(with comparative figures for the year 1966)

	1967 10 months	1966 12 months
Income:		
Sales	\$2,288,136	\$1,930,577
Other income	<u>33,254</u>	<u>37,992</u>
	<u>2,321,390</u>	<u>1,968,569</u>
Expense (including depreciation of \$29,109; 1966- \$29,391):		
Cost of sales	1,956,827	1,654,637
Selling expenses	177,043	153,764
General and administrative	<u>92,033</u>	<u>107,952</u>
	<u>2,225,903</u>	<u>1,916,353</u>
Operating income before undernoted items	95,487	52,216
Gain (or Loss) on sale of oil properties	<u>(24,023)</u>	<u>363,915</u>
	71,464	416,131
Less dry hole costs	<u>7,782</u>	<u>333,458</u>
Income before taxes and minority interest	63,682	82,673
Estimated income taxes (Note 2)	<u>5,000</u>	<u>34,572</u>
	58,682	48,101
Interest of minority shareholders in loss of subsidiary	<u>3,319</u>	<u>6,635</u>
NET INCOME FOR THE PERIOD	<u><u>\$ 62,001</u></u>	<u><u>\$ 54,736</u></u>

The accompanying notes are an integral part of the financial statements.

WAINOCO OIL AND CHEMICALS LIMITED
(formerly Wainwright Producers & Refiners Limited)

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS
TEN MONTHS ENDED OCTOBER 31, 1967
(with comparative figures for the year 1966)

	<u>1967</u>	<u>1966</u>
Source of funds:		
Operations-		
Net income for the period	\$ 62,001	\$ 54,736
Add items not requiring a current outlay of funds-		
Depreciation	29,109	29,391
Deferred income taxes (Note 2)	<u>-</u>	<u>6,118</u>
	91,110	90,245
Proceeds from employees stock option (Note 3)	25,000	-
Cost recovered on sales of fixed assets	267,609	150,997
Sale of investment in affiliated company	-	14,000
Note receivable- reclassified in 1967	43,732	25,000
Increase in long-term debt (Note 3)	<u>66,000</u>	<u>-</u>
	<u>493,451</u>	<u>280,242</u>
Application of funds:		
Purchase of Travis Chemicals Limited shares (Note 3)	125,000	-
Sundry investments	-	2,390
Additions to fixed assets	14,613	490,746
Investment in subsidiary in excess of book value	-	379
Payments on chattel mortgage	<u>17,750</u>	<u>16,075</u>
	<u>157,363</u>	<u>509,590</u>
Increase (decrease) in working capital	336,088	(229,348)
Working capital (deficiency), beginning of period	<u>(46,531)</u>	<u>182,817</u>
Working capital (deficiency), end of period	<u>\$289,557</u>	<u>\$(46,531)</u>

The accompanying notes are an integral part of the financial statements.

WAINOCO OIL AND CHEMICALS LIMITED
(formerly Wainwright Producers & Refiners Limited)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
OCTOBER 31, 1967

1. BASIS OF CONSOLIDATION:

These financial statements reflect the financial position and operations of the company and its wholly-owned subsidiaries, Travis Chemicals Limited and Travis Mud and Chemicals (B.C.) Ltd. In 1966 Travis Chemicals Limited acquired a 60% interest in Travchem Limited, the financial position and operations of which are also reflected in these statements.

2. PURCHASE BY WAINOCO OF ALL THE ASSETS OF TRAVIS CHEMICALS LIMITED AND THE EFFECT ON TAX:

On September 30, 1967 Wainoco purchased all the assets of Travis Chemicals Limited in order to consolidate the company's tax position. Income taxes payable for the current year have been substantially reduced and the accumulated tax reductions applicable to future years have been charged to the deficit accounts as they now will not be payable. Anticipated tax savings in future years are expected to exceed \$400,000.

3. OPTION:

On September 30, 1967, Mr. R. F. Smith exercised his option to purchase 25% of the issued shares of Travis Chemicals Limited for \$25,000. This option was granted to him in 1963. In subsequent negotiations, Wainoco repurchased these shares for their current market value of \$125,000. The purchase price is payable \$25,000 immediately and the balance over three years.

WAINOCO OIL AND CHEMICALS LTD.

312 FOURTH AVENUE S.W. — PHONE 263-5370 — CALGARY, CANADA

December 28th, 1967

Toronto Stock Exchange
234 Bay Street
TORONTO, Ontario

Dear Sirs:

We hereby certify that there have been no material changes in the financial position of the Company from that indicated on the balance sheet of the Company dated October 31, 1967 from the date thereof to the date hereof.

Yours very truly,

WAINOCO OIL AND CHEMICALS LIMITED

PER: 

P. D. Williams, Vice-President

PER: 

R.W.A. Boal, Secretary-Treasurer

<p>15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.</p>	<p>The Company's transfer agent advises that the following are the five largest registered shareholders:</p> <p>(1) Gardiner, Watson Limited - 399,354 shares</p> <p>(11) Doherty Roadhouse & McCuaig Bros. - 45,500 shares</p> <p>(111) Midland-Osler Securities Limited - 37,851 shares</p> <p>(1v) Russell H. Trout - 32,300 shares 216 North Second St. Emmaus, Pa., U.S.A.</p> <p>(v) Gairdner & Company Limited - 28,372 shares</p> <p>The Company is aware that Argonaut Petroleum Inc. is the owner of 300,000 unregistered shares of the Company. The Company believes that a substantial portion of the shares owned by Argonaut Petroleum Inc. are registered in the name of Gardiner, Watson Limited. The Company has no knowledge of the beneficial ownership of the remaining shares above listed.</p> <p>American Northland Oil Company (the parent company of Argonaut Petroleum Inc.) has disposed of (by way of private transactions) all but 16,000 of the balance of 216,000 shares held by it (exclusive of the 300,000 shares herein referred to).</p>
<p>16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.</p>	<p>Argonaut Petroleum Inc., 1135 Main Avenue, Long Beach, California, U.S.A.</p> <p>Upon the completion of the purchase of the shares herein referred to, Palm Enterprises may be in a position to effect control of the Company provided it is successful in obtaining proxies from other large shareholders (see items 6 and 15) and all other shareholders of the Company.</p>
<p>17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.</p>	<p>On a consolidated basis, costs of investments in subsidiaries are eliminated. See the financial statements appended hereto.</p>
<p>18. Brief statement of any lawsuits pending or in process against company or its properties.</p>	<p>None.</p>
<p>19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.</p>	<p>The Company has employed Mr. Robert F. Smith to head up its Travis Chemicals Division for a period of six years. During 1968, 1969 and 1970, Mr. Smith will receive a base salary of \$25,000 per annum and a bonus equal to 5% of Travis' net profits calculated before taxes, directors' fees and management charges. In the years 1971, 1972 and 1973, Mr. Smith will receive a base salary of three times the average bonus (during the preceding three year period) (subject to a minimum of \$25,000) plus a similar 5% bonus.</p>
<p>20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.</p>	<p>The Company sold in February, 1967 to Sinclair Oil Company the Company's 8 1/3% interest in P & NG Reservation 749 for \$126,000 and in June, 1967 to Ranger Oil Company the Company's 15% working interest in Alberta Crown Reserve parcel No. 4349 for \$117,000.</p> <p>The Purchasers of the 300,000 shares of the Company (see item 6 above) have indicated to the Company that they will hold such shares as an investment.</p> <p>There are no other material facts. No shares of the Company are now in the course of primary Distribution to the public.</p>

CERTIFICATE OF THE COMPANY

DATED December 28, 1967.

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"P.D. Williams"

CORPORATE
SEAL

"R.W.A. Boal"

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

THE TORONTO STOCK EXCHANGE

29/8/68

FILING STATEMENT NO. 1643.
FILED, OCTOBER 15th, 1968.

WAINOCO OIL AND CHEMICALS LIMITED

Full corporate name of Company
Incorporated under The Companies Act (Ontario)
by Letters Patent dated February 3, 1949.
Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

Reference is made to previous Filing Statement No. 1590.
(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	Agreement to acquire all outstanding shares of J.B. Ashmun, Inc. in consideration of the issue of shares of the Company (See Items 6 and Item 11). Approval of share transactions (See Item 7).
2. Head office address and any other office address.	Head Office: Suite 914, 111 Richmond Street West, Toronto, Ontario. Executive Office: 312 Fourth Ave. S.W., Calgary, Alta
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	John B. Ashmun, 800 Elveden House, Calgary, Alberta - President J.B. Ashmun, Inc. (oil exploration and production, real estate, geothermal energy) - President and Director. Robert F. Smith, 312 Fourth Avenue S.W., Calgary, Alberta - President Travis Chemicals Limited - Vice-President and Director. Ronald L. Hancock, 312 Fourth Avenue S.W., Calgary, Alberta - Secretary-Treasurer Travis Chemicals Limited - Secretary-Treasurer. T.B. Pickens, Jr., P.O. Box 2009, Amarillo, Texas - President Mesa Petroleum Company - Director. Wales H. Madden, Jr., 700 West 9th Street, Amarillo, Texas - Attorney, Partner Selecman & Madden, Attorneys-at-Law, Amarillo, Texas - Director. Henry D. Lindsley, III, 4209 Arcady Street, Dallas, Texas - Manager, Dallas, Texas office Lehman Bros. of New York City and independent oil operator - Director.
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized: 3,000,000 shares with P.V. \$1.00 each Issued: 1,249,435 shares with P.V. \$1.00 each
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	(a) Promissory note in favour of Robert F. Smith for \$100,000 bearing interest at 6% per annum payable in 3 equal annual instalments commencing February 28, 1968. At the date of filing the amount outstanding is \$66,000, the next instalment to be February 28, 1969. (b) Chattel mortgage on company equipment maturing February, 1971 bearing interest at 4½% per annum - presently outstanding \$62,425. (c) The Company has made a general assignment of its accounts receivable and inventories to The Canadian Imperial Bank of Commerce to secure advances. The Company and Travis Chemicals Limited have no present bank indebtedness. Travchem Limited, a 60% subsidiary company, has bank indebtedness of \$19,000.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	The Company has entered into an agreement with John B. Ashmun of Calgary, Alberta, dated August 19, 1968, whereby Mr. Ashmun has agreed to sell to the Company all the issued and outstanding shares of J.B. Ashmun, Inc., an American company holding oil properties in Canada and the United States. The consideration payable to the vendor is 410,000 shares in the capital stock of the Company. The sale is subject: (a) to the acceptance for filing of Filing Statements with both the Toronto and the Canadian stock exchanges wherein the terms of the transaction are disclosed, (b) to the approval of the purchase by the shareholders of the Company, and * * Shareholders on October 11, approved the purchase of all the issued and outstanding shares of J. B. Ashmun, Inc. (c) to the receipt of a ruling from the Internal Revenue Service of the United States that the transaction constitutes a tax free re-organization resulting in no adverse tax consequences to either the vendors or to J.B. Ashmun, Inc.

<p>7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.</p>	<p>Not applicable. The Company has established an Employee Incentive Stock Option Plan for key employees and has reserved 62,000 shares in the capital stock of the Company (at not less than \$1.00 per share) for this purpose. Mr. Ashmun has been granted an option under this plan to acquire 10,000 shares at \$1.25 per share. The option may be exercised as to 5,000 shares after May 3, 1969 and as to the remaining 5,000 shares after May 3, 1970.</p> <p>On May 6, 1968 the Company agreed to sell to Mr. Robert F. Smith 15,000 shares of the Company at a price of \$1.35 per share, for a total consideration of \$20,250. In accordance with the terms of the agreement, the shares when issued will be delivered to a Trustee and will be delivered up by the Trustee to Smith against payment by Smith of the non-interest bearing promissory note in favour of the Company in the amount of \$20,250. The 15,000 shares to be acquired over a period of five years and not more than 20% of the shares are to be paid for and delivered up in each of the five years.</p> <p>On the 7th day of June 1968 the Company offered to Mr. Roger H.G. Giovanetto, 411 Woodland Crescent, Calgary, Alberta, the Vice-President and a Director of Travchem Limited, an option to acquire 10,000 shares in the capital stock of the Company at a price per share equal to the bid price on the Toronto Stock Exchange on June 7, 1968, namely \$1.45. The 10,000 shares to be acquired over a period of five years, and not more than 20% of the said shares to be acquired in each of the years during the option agreement, the option terminating on June 7, 1973. Mr. Giovanetto owns 20% of the shares of Travchem Limited, which company is a subsidiary of Wainoco and in the event Mr. Giovanetto accepts the offer to option the above shares it is a term of the option that he will transfer his holdings in Travchem Limited to Wainoco.</p> <p>All of the above agreements, except the option to Mr. Ashmun (which has already been approved), are subject to the approval of the Toronto Stock Exchange and the Canadian Stock Exchange.</p>
<p>8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.</p>	<p>See items 11 and 12.</p>
<p>9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.</p>	<p>Expansion of Wainoco is planned through growth of its chemical sales and service division and development of an active programme for exploration and production of natural resources. In addition the creation of new businesses related to those above will be sought through acquisition and merger.</p> <p>Continuing emphasis will be placed upon maintenance of the Travis Chemicals Division and its position as leading chemical distributor to the Canadian gas processing industry. The establishment of Travchem Limited as a fully owned subsidiary is to be effected and efforts to increase its chemical sales and services to the oil and gas producing industry will be stressed. It is planned also to greatly expand the chemical spray and weed killing division that was introduced under the Travis name two years ago.</p> <p>Major efforts will be made to increase the Company's participation in the oil and gas business and to make it a substantial producer of these resources. Through the background of current management in this field it is felt that this desired orientation can be readily achieved.</p>
<p>10. Brief statement of company's chief development work during past year.</p>	<p>During the past twelve months most of the Company's business activity was concentrated in the Travis Chemicals Division. This Division's sales force was expanded and the number of products handled was enlarged resulting in record sales during the period. The Company's oil and gas activities revolved mainly around geological studies of promising areas. From the corporate point-of-view a new Board of Directors and new officers were appointed and elected on January 11, 1968.</p>
<p>11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.</p>	<p>John B. Ashmun, 800 Elveden House, Calgary, Alberta is the vendor of the shares of J.B. Ashmun, Inc. referred to in Items 6 and 12 hereof.</p>

FINANCIAL STATEMENTS

J. B. ASHMUN, INC.
(Incorporated under the laws of Texas)

BALANCE SHEET

July 31, 1968

(stated in Canadian funds)

ASSETS

CURRENT ASSETS:

Cash		\$ 9,311
Accounts receivable		54,266
Marketable securities at cost (quoted market value \$66,470)		73,854
Prepaid expense and deposits		<u>11,555</u>
Total current assets		<u>\$148,986</u>

FIXED ASSETS, at cost, see note

Producing oil and gas leases, partially pledged	\$159,658	
Non producing oil and gas leases	187,036	
Automobiles	13,445	
Furniture and fixtures	<u>11,011</u>	
	<u>\$371,150</u>	
Less accumulated depletion and depreciation	<u>63,691</u>	307,459

OTHER ASSETS

Memberships	\$ 2,250	
Organization cost	<u>129</u>	<u>2,379</u>
Total assets		<u>\$458,824</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES

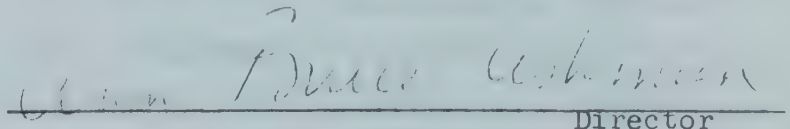
Notes payable:		
Bank of Montreal	\$ 99,124	
Commercial Bank & Trust Co., secured by pledged oil runs	17,244	
Accounts payable	99,473	
Accrued payroll taxes	<u>886</u>	
Total Current liabilities		<u>\$216,727</u>

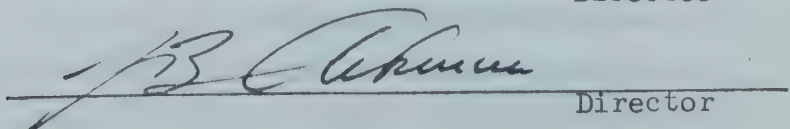
SHAREHOLDERS' EQUITY

Capital stock, \$1.00 par value, Authorized 1,000 shares, Issued and outstanding 1,000 shares	\$ 1,000	
Paid in and earned surplus	<u>241,097</u>	<u>242,097</u>
Total liabilities and shareholders' equity		<u>\$458,824</u>

Note: This balance sheet was prepared from the books and records of J. B. Ashmun, Inc. which reflect the transactions on a basis for United States tax reporting. On that basis Intangible Development Costs have been charged to expense. Generally, financial reporting would reflect Intangible Development Costs as a part of lease costs in the fixed asset section.

Approved on behalf of the Board of Directors


Director


Director

WAINOCO OIL AND CHEMICALS LIMITED
(Incorporated under the laws of Ontario)

CONSOLIDATED BALANCE SHEET

JUNE 30, 1968

A S S E T S

Current assets:		
Cash		\$ 63,251
Accounts receivable		514,666
Inventory - at the lower of cost or net realizable value		216,769
Prepaid expenses and deposits		<u>9,107</u>
Total current assets		803,793

Fixed assets - at cost:		
Land	\$ 5,000	
Equipment and buildings	\$297,385	
Less accumulated depreciation	<u>110,095</u>	187,290
Petroleum property	<u>2,750</u>	<u>195,040</u>
		<u>\$998,833</u>

L I A B I L I T I E S

Current liabilities:		
Bank loan and overdraft		\$ 18,090
Accounts payable		371,756
Income taxes payable		1,698
Long-term debt due within one year		<u>54,814</u>
Total current liabilities		446,358

Long term debt:		
4½% chattel mortgage on equipment payable in monthly instalments of \$2,181 including interest	\$ 62,425	
6% agreement payable - due in equal annual instalments commencing February 1969	<u>66,000</u>	
	<u>128,425</u>	
Less amounts included in current liabilities	<u>54,814</u>	73,611

Shareholders' Equity (Note 3):		
Capital stock -		
Authorized - 3,000,000 common shares of a par value of \$1.00 each		
Issued - 1,249,435 shares	1,249,435	
Contributed surplus	1,723,060	
Deficit (below)	<u>(2,493,631)</u>	<u>478,864</u>
		<u>\$998,833</u>

Approved on behalf of the Board of Directors

Walter H. Madigan, Jr.
Director

[Signature]
Director

WAINOCO OIL AND CHEMICALS LIMITED

CONSOLIDATED STATEMENT OF INCOME AND DEFICIT

FOR THE SIX MONTHS ENDED JUNE 30, 1968

Sales		\$1,681,608
Cost of sales		<u>1,486,039</u>
Gross profit		195,569
Other income		<u>41,107</u>
		236,676
Expenses:		
Selling	\$90,795	
General and administrative	<u>75,439</u>	<u>166,234</u>
Operating income for the period		70,442
Loss on disposal of fixed assets		<u>17,368</u>
Income before minority interest		53,074
Interest of minority shareholders in net income of subsidiary		<u>3,586</u>
Net income for the period (Note 2)		49,488
Deficit January 1, 1968		<u>2,543,119</u>
Deficit June 30, 1968		<u>\$2,493,631</u>

WAINOCO OIL AND CHEMICALS LIMITED
CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE SIX MONTHS ENDED JUNE 30, 1968

Source of funds:

Operations -

Net income for the period	\$49,488
Add items not requiring an outlay of funds:	
Depreciation	17,277
Loss on disposal of fixed assets	<u>17,368</u>
	84,133
Proceeds of disposal of fixed asset	<u>7,812</u>
	<u>\$91,945</u>

Application of funds:

Purchase of fixed assets	\$24,228
Repayment of long term debt	<u>42,517</u>
	66,745
Increase in working capital	<u>25,200</u>
	<u>\$91,945</u>

Henry D. Ford
B. C. Ford

WAINOCO OIL AND CHEMICALS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 1968

1. Basis of consolidations

The consolidated financial statements include the accounts of the company and its wholly owned subsidiaries, Travis Mud and Chemicals (B.C.) Ltd. and Travis Chemicals Limited, and its 60% owned subsidiary, Travchem Limited.

2. Income taxes

No income taxes are payable on the profit for the period because of the carry forward for tax purposes of losses from previous years.

3. Reduction of capital

At the annual meeting of the company held on June 7, 1968, the shareholders approved a decrease in its authorized capital by reducing the par value of the issued and unissued shares from \$1.00 to \$0.25 per share. Supplementary letters patent have been applied for and when granted will result in a transfer of \$937,076 from capital account to contributed surplus. The company proposes to transfer \$2,543,119 from contributed surplus to deficit so as to eliminate the deficit at January 1, 1968.

J. C. SPROULE AND ASSOCIATES LTD.

GEOLOGICAL & ENGINEERING CONSULTANTS

1009 FOURTH AVENUE S.W.
CALGARY - ALBERTA
P.O. BOX 2525TELEPHONE 348-7981
AREA CODE 403
CABLE ADDRESS SPROULEONTARIO REPRESENTATIVE
A. E. MACKAY
21 FARGATEWAY CRESTWAY
WILLOWDALE, ONTARIO
TELEPHONE 487-5683
AREA CODE 416AUSTRALIAN REPRESENTATIVE
DATA ANALYSIS PTY. LTD.
137/141 RADCLIFF STREET
BRISBANE, AUSTRALIA
TELEPHONE 27983J. C. SPROULE P. GEOL.
S. R. L. HARDING P. GEOL.
A. N. EDGINGTON P. ENG.
M. A. GORRELL P. GEOL.
G. H. JONES P. GEOL.
C. A. S. BULMER P. GEOL.C. R. ALDERMAN P. GEOL.
J. W. BARNHARTEN P. GEOL.
F. D. BRYCE P. ENG.
M. J. BRUNNET P. ENG.
J. R. CHILTON P. GEOL.
N. A. CIELAND P. ENG.
J. P. HUNTER P. ENG.
N. SOUL P. GEOL.

October 16, 1968

2-716-1481-68

Dear Sir:

Re: J. B. Ashmun Inc.

We hereby give permission for reproduction of the following excerpts from the report entitled, "Evaluation of the P. & N. G. Holdings of J. B. Ashmun Inc.," prepared for J. B. Ashmun Inc., July 1968, by J. C. Sproule and Associates Ltd.

INTRODUCTION

"This report has been prepared at the request of Mr. J. B. Ashmun, President of J. B. Ashmun Inc., hereinafter referred to as the "Company." We were requested to prepare an evaluation of the Company's P. & N. G. holdings as of July 1st, 1968.

"According to the information supplied to us, the Company holds interests in 265,846 gross acres; the net holdings amount to 99,876 acres. All of the holdings are considered to be in the unproven category although it is understood that one well in British Columbia, which is now undergoing production testing, is an indicated oil well.

"The Company's properties include P. & N. G. Leases, Permits and Drilling Reservations, and are located in the provinces of Saskatchewan, Alberta and British Columbia, and in the Northwest Territories.

"The property descriptions and details of interests held, as supplied by the Company, have been accepted as correct without further investigation by this firm. No field inspections have been made of the properties, nor have any detailed investigations been made respecting the legal titles or operating agreements relating to the various properties.

"Engineering and geological data on which this report is based have been obtained from the various governmental departments and the files of J. C. Sproule and Associates Ltd., including various published records.

"The parcels, or groups of parcels evaluated were grouped, in most cases, according to their general or specific geological features. The structure and other geological features provided one of the principal criteria for evaluation but other criteria were also applied, where pertinent. A general summary of the principal criteria made use of follows:

- "1. Known prices paid for essentially the same interests by other parties.
- "2. Local and regional geological structures.
- "3. Other regional and local subsurface information from deep test holes and other subsurface geological data.
- "4. Terrain and accessibility.
- "5. Proximity to main pipeline outlets.
- "6. Proximity to transportation.
- "7. Company concerned in case of farmouts.
- "8. Farmout deal involved.
- "9. Overrides and other contingent interests involved.
- "10. Proximity to known discoveries that are liable to affect market outlets.
- "11. Market situation."

SUMMARY AND CONCLUSIONS

"According to the information supplied to us, the Company holds varying interests in 265,846 gross acres of unproven properties. These properties are in the form of P. & N. G. Leases, P. & N. G. Permits and Drilling Reservations. The Company's interest in these properties amounts to 99,876 net acres. The holdings are located in the provinces of British Columbia, Alberta, Saskatchewan, and in the Northwest Territories.

"The properties appear to be well selected in areas that have better than average prospects.

"The properties have been evaluated after taking into consideration all known pertinent factors including geological structure, prospective producing zones, terrain and accessibility, access to markets, legal and operating status of the various holdings, etc.

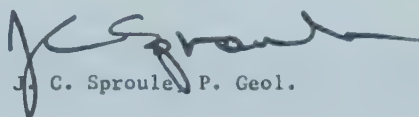
SUMMARY VALUATION

	<u>Net Acres</u>	<u>Valuation</u>
British Columbia		
P. & N. G. Leases	7,845	\$ 369,840
Drilling Reservations	12,375	197,237
Alberta		
P. & N. G. Leases	4,653	41,137
P. & N. G. Permits	3,283	11,491
Saskatchewan		
P. & N. G. Leases	340	2,950
P. & N. G. Permits	12,250	30,625
Northwest Territories		
P. & N. G. Permits	59,130	147,825
TOTALS	<u>99,876</u>	<u>\$ 801,105</u>

"It should be understood that our evaluation figure does not represent the cash value of the properties, but rather a value to the Company. To obtain a fair market value, it would, in our opinion, be necessary to discount the values shown above by approximately 40 percent. The difference represents the possible risk involved and the common difference in viewpoint between buyer and seller.

This report has been prepared for the exclusive use of J. B. Ashmun Inc., and is not to be published or reproduced for public use in whole or in part in any form without the written permission of J. C. Sproule and Associates Ltd."

Yours very truly,

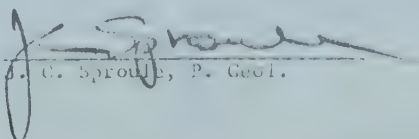

J. C. Sproule, P. Geol.

SRLH/fc

CERTIFICATE

I, John Campbell Sproule, consulting geologist, of 1009 Fourth Avenue Southwest, Calgary, Alberta, do declare:

1. That I graduated as a geologist from the University of Alberta with the degree of Bachelor of Science in the year 1930; I obtained the degree of Master of Arts at the University of Toronto in the year 1931; and I obtained the degree of Doctor of Philosophy in Geology from the University of Toronto in the year 1935.
2. That I am a Fellow of the Geological Society of America, a Member of the American Association of Petroleum Geologists, the Society of Exploration Geophysicists, and the Society of Economic Paleontologists and Mineralogists, and that I am a registered Professional Geologist for the Province of Alberta, a registered Professional Engineer for the Province of Saskatchewan, a registered Engineer for the Province of Manitoba; and a non-resident Licensed Engineer for the Province of British Columbia.
3. That I have no interest, direct or indirect, nor do I expect to receive any interest, direct or indirect, in the properties described in the attached report entitled, "Evaluation of the P. & N. G. Holdings of J. B. Ashmun Inc.," dated July 19, 1968, nor have I any interest, present or expected, in the securities of the Company.
4. The above report is based on my geological and engineering knowledge of the areas described above, and that of my Associates, and upon a consideration of all available data on wells drilled in adjacent areas, and upon examination of electric logs and available production engineering data on wells in the vicinity of the aforementioned properties.


J. C. Sproule, P. Geol.

1009 Fourth Avenue S.W.,
Calgary, Alberta.

EVALUATION REPORT:

LLC & C ENGINEERING, INC.

PETROLEUM CONSULTANTS

FORMERLY LEIBROCK, LANDRETH, CAMPBELL & CALLAWAY

ROBERT F. BAILEY, P.E., PRESIDENT
 L. D. SIPES, JR., P.E.
 ROY C. WILLIAMSON, JR., P.E.
 A. E. PINSON, JR.

August 16, 1968

1100 V & J TOWER
 MIDLAND, TEXAS 79701
 915 683-1841

J. B. Ashmun, Inc.
 800 Elveden House
 Calgary, Alberta
 Canada

Gentlemen:

Subject: Evaluation of Certain Properties
 Operated by Ashmun & Hilliard in
 Texas and New Mexico

At your request, we have evaluated the future net income for the properties listed on Table No. 1. The computer printout sheets numbered 1 through 20 show the individual cash flow for each of the properties and are followed by a composite of all properties. The net evaluated interest cash flow for each property and the composite are shown undiscounted as well as discounted at 7, 10, 12, and 15 percent. The following is a summary of our evaluation which is effective as of January 1, 1969 and does not include the salvage value of \$1,600 for leases assigned no reserves.

Net Revenue before Federal Income Tax, \$	402,625
Discounted at 7%	311,720
10%	287,110
12%	273,427
15%	255,931

The evaluation of the majority of these properties was accomplished by extrapolating established production decline trends. Operating costs utilized were furnished by the operator and are generally based upon the most recent six to seven months time period. Adjustments were made in the operating costs where unusual non-recurring costs occurred. The evaluated gross and net interest factors for each property, the oil and gas prices, the salvage value of equipment on the leases, and proposed expenditures on these leases, were also furnished by the operator. A survey of these producing properties indicated that no supplementary recovery projects are planned in the foreseeable future.

One exception to the utilization of decline curves for projecting performance is the Maxwell lease in the Bronco, West (Devonian) Field. The well is currently flowing 130 to 140 barrels of oil a day with a low water cut. The operator is planning to equip the well with a hydraulic pump in the immediate future which is expected to allow the well to produce at the top allowable of approximately 11,800 barrels per month. It is anticipated that this pump will be in operation sometime during September. This field is believed to produce under a water drive mechanism. Since the well is just now beginning to cut some water production, future reserves were calculated on a volumetric basis utilizing 14 feet of net pay for an area of 320 acres and a recovery of 50 barrels per acre-foot. The production was scheduled assuming that top allowable production would be maintained for approximately one year after installation of the hydraulic pump and then a production decline of 60 percent per year would begin. The hydraulic pump was estimated to cost approximately \$20,000.

Expenditures were assumed on the State -11- lease in the Sand Springs (Devonian) Field in the amount of \$2,500 for a salt water disposal system. Additional operating costs of this system were estimated at \$200 per month. A salt water disposal system will also be connected on the Stokes lease in the Shoe-Bar (Pennsylvanian) Field with no initial investment but with an estimated increase in operating costs of \$100 per month. Both of these systems were assumed to be installed and operating as of January 1, 1969.

The operator plans to set a compressor which, among other wells, will serve the Chambers County School Land No. 1 in the Midway Lane Field which is a dual producer from the Atoka and Strawn formations and the Chambers County School Land -G- No. 1 which is a single producer from the Midway Lane (Strawn) Field. These formations are gas condensate producers. The gas reserves from the Atoka and Strawn formations were determined by a P/Z versus cumulative production curves. The gas ultimate recovery was determined by extrapolating the P/Z curves to a value of 50 pounds per square inch absolute. Condensate recovery was based on current producing ratios and was assumed to remain constant throughout the remainder of the producing life. The operator's negotiations with El Paso Natural Gas Company will determine what the producing rate will be from these wells. As of this time, these rates have not been determined; therefore, for our evaluation purposes, the remaining gas reserves were availed assuming a production rate equal to approximately one-half of the maximum producing rate of the wells since their completion. The greatest uncertainties in the availability for these three gas condensate formations are the producing rates and the future liquid production; however, it is believed that this approach gives a reasonable schedule of the future gas and condensate production.

Our evaluation shows three leases to have negligible reserves. These are the Allene A. Smith No. 1 in the Midland, East (Devonian) Field; the Lea 373 -A- well in the Monument (Tubb) Field; and the W. E. Connell No. 1 in the Sonny B (Glorieta) Field. These wells are still producing and have some minor value; however, the reserves were not of a sufficient magnitude to prepare a projection. The leases have salvageable equipment and the value to the evaluated interest was calculated and found to be approximately \$1,600. These values are broken down among the leases as follows.

Smith	\$ 130
Lea 373	\$ 445
Connell	\$1,025

The salvage value of equipment on remaining leases was included in the cash flows.

We are happy to have been of service in this matter. We will retain related backup data in our files; they are available for review, if necessary. Please call if you have any questions or if we may be of further assistance.

Very truly yours,

LLC&C ENGINEERING, INC.



Roy C. Williamson, Jr., P.E.

/sb

Attachments

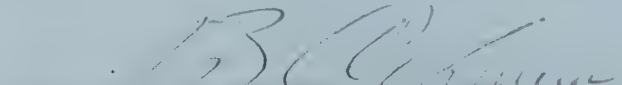
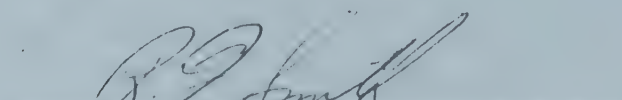
STATEMENT AS TO MATERIAL CHANGES

This is to certify that there have been no material changes in the affairs of Wainoco Oil and Chemicals Limited as disclosed in its Balance Sheet dated June 30, 1968, and from that date to August 19, 1968.

DATED at Calgary, Alberta, this 19th day of August, 1968.

Approved on behalf of the Board of Directors

WAINOCO OIL AND CHEMICALS LIMITED


Director
Director

12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	John B. Ashmun, 800 Elveden House, Calgary, Alberta, the President and a Director of the Company is also President and a Director of J.B. Ashmun, Inc.
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>The Company's transfer agent has advised that the following are the five largest registered shareholder:</p> <ol style="list-style-type: none"> 1. Palm Enterprises, 600 Elveden House, Calgary, Alberta. 236,527 shares 2. Richardson Securities of Canada, 173 Portage Avenue East, Winnipeg 2, Manitoba. 73,500 shares 3. Greenshields Ltd., 4 Place Ville Marie, Montreal, P.Q. 43,825 shares 4. Robert F. Smith, 312 Fourth Avenue S.W., Calgary, Alberta. 40,001 shares 5. Gardiner, Watson Ltd., 335 Bay Street, Toronto, Ontario. 30,702 shares <p>Palm Enterprises is a partnership owned in four equal parts by the following: T.B. Pickens, Jr., J.B. Ashmun, Henry D. Lindsley, III and Wales H. Madden, Jr., and is the beneficial owner of the shares shown opposite its name. The Company has no knowledge of the beneficial ownership of the other shares listed above other than with respect to Mr. Robert F. Smith whom the Company is advised is the beneficial owner of the shares listed opposite his name.</p>
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	Palm Enterprises acting together with other large shareholders may be in a position to affect control of the Company
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	On a consolidated basis, costs of investments in subsidiaries are eliminated. See the financial statements appended hereto.
18. Brief statement of any lawsuits pending or in process against company or its properties.	None
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	None
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	The Company has approved the application for Supplementary Letters Patent reducing the authorized capital from \$3,000,000 to \$750,000 but Supplementary Letters Patent have not as yet been received authorizing this reduction. There are no other material facts and no shares of the Company are now in the course of primary distribution.

CERTIFICATE OF THE COMPANY

DATED August 19, 1968

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

WAINOCO OIL AND CHEMICALS LIMITED

"J.B. Ashmun"

per:

CORPORATE

"H.D. Lindsley"

per:

SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

TORONTO STOCK EXCHANGE

19/9/68

AMENDING FILING STATEMENT NO. 352.

FILED, OCTOBER 11th, 1968.

WAINOCO OIL AND CHEMICALS LIMITED

Full corporate name of Company

AMENDING FILING STATEMENT

(To be filed with respect to any change in a Filing Statement filed within a period of six months)

To be read in conjunction with Filing Statement No. 1643, dated August 19, 1968

Brief statement of the material change in the affairs of the company in respect of which this amending filing statement is filed.	Agreement to acquire the chemical vegetation control business (as a going concern) of Molsberry Chemical Spray Co. Ltd. See Item 6.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	<p>The Company has entered into an agreement (dated September 4, 1968) with Molsberry Chemical Spray Co. Ltd., ("Molsberry"), Vance Elsworth Molsberry and Voris Ray Molsberry whereby it will acquire, as a going concern, the chemical vegetation control business of Molsberry (including therein the following general items: a certain parcel of land, certain buildings, certain automotive equipment, certain vegetation control equipment and spare and replacement parts therefor and all patent rights with respect thereto, certain office equipment and furnishings, inventory of chemicals and chemical products, the goodwill of Molsberry and the right to the continuous use of the name Molsberry Chemical Spray and the full benefit of all pending contracts and engagements all as is more particularly described in the said agreement. The consideration payable for the said assets is \$250,000.00 and 25,000 fully paid and non-assessable shares in the capital stock of the Company.</p> <p>This transaction is strictly arms length and no officer, director or major shareholder of the Company is or will be entitled to receive any part of the consideration paid by the Company to Molsberry Chemical Spray Co. Ltd.</p> <p>Messrs. V.E. and V.R. Molsberry have agreed (1) not to compete with the Company in the vegetation control business for a period of 5 years, and (2) to become normal employees of the Company for a maximum period of one year from the date the agreement takes effect.</p>
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Molsberry Chemical Spray Co. Ltd., 9140 - 37th Avenue Edmonton, Alberta.
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Molsberry Chemical Spray Co. Ltd., Edmonton, Alberta. The only persons holding a greater than 5% interest in Molsberry Chemical Spray Co. Ltd. are Vance Elsworth Molsberry and Voris Ray Molsberry.
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	The company has approved an Application for Supplementary Letters Patent reducing the authorized capital of the company from \$3,000,000.00 to \$750,000.00. The Supplementary Letters Patent authorizing this reduction have not as yet been granted. There are no other material affects and no shares of the company are now in the course of primary distribution. The 25,000 shares issued to Molsberry Chemical Spray Co. Ltd. under the transaction referred to in Item 6 above may, if sold, be in the course of primary distribution to the public

DATED September 10, 1968.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

WAINOCO OIL AND CHEMICALS LIMITED

"J.B. Ashmun"

"R.L. Hancock"

CORPORATE
SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

FINANCIAL STATEMENTS

WAINOCO OIL & CHEMICALS LIMITED

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE EIGHT MONTHS ENDED AUGUST 31, 1968

Source of funds:

Operations -

Net income for the period \$ 63,136

Add items not requiring an outlay of funds:

Depreciation 23,562

Loss on disposal of fixed assets 19,923

106,621

Proceeds on disposal of fixed assets

9,672

\$116,293

Application of funds:

Purchase of fixed assets \$ 29,800

Repayment of long term debt 47,946

Purchase of additional 20% interest in

Travchem Limited, a subsidiary 2,500

80,246

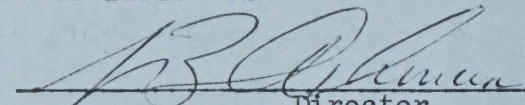
Increase in working capital

36,047

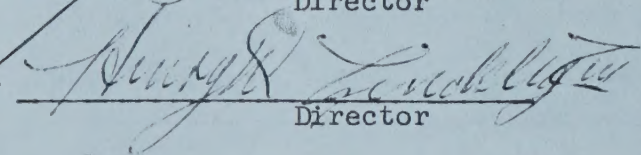
\$116,293

Approved on behalf of the
Board of Directors

per


Director

per


Director

ACCOUNTANTS' COMMENTS

The accompanying interim balance sheet of MOLSBERRY CHEMICAL SPRAY CO. LTD. as at July 31, 1968 and the interim statement of income for the nine months then ended have been prepared from the books and records of the company and from information given to us. We did not perform an audit and accordingly are not in a position to express an opinion on these interim financial statements.

EDMONTON, Alberta,
August 29, 1968.

Thorne, Gunn, Helliwell & Christman

Chartered Accountants.

MOLSBERRY CHEMICAL SPRAY CO., LTD.

INTERIM BALANCE SHEET - JULY 31, 1968

LIABILITIES

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MOLSBERRY CHEMICAL SPRAY CO., LTD.
NOTES TO INTERIM FINANCIAL STATEMENTS

NINE MONTHS ENDED JULY 31, 1968

1. **ACCUMULATED DEPRECIATION**

Accumulated depreciation at July 31, 1968 and October 31, 1967:

	<u>1968</u>	<u>1967</u>
Buildings	\$ 7,986	\$ 6,718
Equipment	37,132	33,463
Automotive equipment	61,548	56,581
	<u>\$106,666</u>	<u>\$96,762</u>

2. **NON-TAXABLE DIVIDENDS**

Net income at October 31, 1967 includes non-taxable dividends of \$70,000.

3. **CONTINGENT LIABILITY**

The company is contingently liable as guarantor of all liabilities of Ace Construction Company Ltd. to the Canadian Imperial Bank of Commerce.

4. **EXECUTIVE BONUSES**

Executive bonuses of \$41,400 awarded in October, 1967 remain unpaid. No provision has been made in the interim financial statements to July 31, 1968 for similar bonuses which may be awarded at the fiscal year end.

MOLSBERRY CHEMICAL SPRAY CO., LTD.

INTERIM STATEMENT OF INCOME

NINE MONTHS ENDED JULY 31, 1968

(with comparative figures for year ended October 31, 1967)
(Unaudited)

	<u>1968</u>	<u>1967</u>
Contract revenue	\$431,007	\$582,228
Direct expenses		
Chemicals	44,335	51,504
Fuel oil	3,526	7,027
Sub-contract	-	170
Repairs and maintenance	18,223	35,731
Equipment rental	17,423	19,558
Gas and oil	12,787	20,174
Freight	696	610
Damage claims	182	2,685
Wages	74,095	116,489
Employee benefits	2,784	4,747
Travel, hotel and meals	12,031	21,092
Equipment depreciation	8,654	15,262
Total direct expenses	<u>194,736</u>	<u>295,049</u>
Gross operating income	<u>236,271</u>	<u>287,179</u>
Indirect expenses		
Salaries (note 4)	65,065	137,740
Employee benefits	4,613	5,246
Insurance	1,500	2,444
Office maintenance	336	310
Taxes and licenses	3,132	3,981
Telephone and utilities	3,026	4,045
Accounting and legal	1,236	1,686
Advertising and promotion	1,668	3,692
Postage, stationery and office supplies	654	1,503
Donations	433	510
Interest and bank charges	227	1,432
Miscellaneous	69	168
Provision for doubtful accounts	-	1,037
Provision for depreciation	1,449	2,181
Total indirect expenses	<u>83,408</u>	<u>165,975</u>
Net operating income	<u>152,863</u>	<u>121,204</u>
Investment income	3,110	72,196
	<u>155,973</u>	<u>193,400</u>
Executive pension plan, lump sum payment	-	89,000
Net income before income taxes	<u>155,973</u>	<u>104,400</u>
Income taxes (note 2)	69,042	7,222
NET INCOME FOR THE PERIOD	<u>\$ 86,931</u>	<u>\$ 97,178</u>